



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION 2
290 BROADWAY
NEW YORK, NY 10007-1866

JUL 26 2018

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Occidental Chemical Corporation
Occidental Tower
5005 LBJ Freeway, Suite 1350
Dallas, TX 75244

Attention: Frank Parigi, Esq.
Vice President and General Counsel
Glenn Springs Holdings, Inc.

Re: Diamond Alkali Superfund Site, Operable Unit 02
Administrative Settlement Agreement and Order on Consent for Remedial Design,
CERCLA Docket No. 02-2016-2021
Bill for Collection No. 2721826S0027

Dear Mr. Parigi:

The United States Environmental Protection Agency ("EPA") is charged with responding to the release or threatened release of hazardous substances into the environment and with enforcement responsibilities under the Comprehensive Environmental Response, Compensation and Liability Act ("CERCLA"), as amended, 42 U.S.C. §§ 9601-9675. EPA has documented the release or threat of release of hazardous substances into the Lower Passaic River Study Area portion of the Diamond Alkali Superfund Site (the "Site"). In response to the release or threatened release of hazardous substances, EPA has spent, and will continue to spend, public funds on actions to investigate and control such releases and threatened releases at the Site pursuant to Section 104 of CERCLA.

On September 30, 2016, EPA entered into an Administrative Settlement Agreement and Order on Consent for Remedial Design ("Order"), CERCLA Docket No. 02-2016-2021, with Occidental Chemical Corporation ("OCC"). Pursuant to Paragraph 67 of this Order, OCC agreed to reimburse EPA for all Future Response Costs, as defined in the Order, paid by EPA in connection with the Operable Unit (OU) 02 remedial design.

This letter serves as Bill for Collection No. 2721826S0027 ("Bill"), covering the period from September 4, 2016 through September 30, 2017. Only costs from October 1, 2016 through September 30, 2017 are included in this Bill.

Enclosure A is a narrative statement describing EPA's oversight and response costs paid during the time period covered by the Bill. Enclosure B consists of two itemized cost summaries, referred to as Superfund Cost Recovery Package Imaging and On-Line System ("SCORPIO\$") reports, for the Diamond Alkali Site, site identification number 02-96, OU00 and OU02 Lower 8.3 Mile Costs. For the purposes of the SCORPIO\$ reports, OU03 represents the Newark Bay Study Area, and OU04 represents the expansion of the CERCLA investigation from the six-mile Passaic River Study Area to the 17-mile Lower Passaic River Study Area. EPA charges time for the OCC/Tierra Solutions, Inc. ("TSI") Removal, OCC Lower 8.3 Mile Remedial Design and EPA-lead work to OU02, but only charges for the OCC Lower 8.3 Mile Remedial Design are included in the OU02 Lower 8.3 Mile SCORPIO\$ report that appears in Enclosure B.

Some personnel charged their time to OU00 to represent time spent equally on all OUs. Therefore, the OU00 costs have been apportioned among OU01, OU02 (OCC/TSI Removal, OCC Lower 8.3 Mile Remedial Design and EPA-lead work), OU03 (Newark Bay) and OU04 (Cooperating Parties Group ["CPG"] lead 17-Mile Lower Passaic River Study Area RI/FS and CPG-lead River Mile 10.9 Time Critical Removal Action ["TCRA"]), as described in the enclosure. While all OU00 charges are included in the SCORPIO\$ report for OU00 that appears in Enclosure B, this Bill includes only those costs that EPA has apportioned to the OU02 Lower 8.3 Mile Remedial Design.

EPA certifies that as of September 30, 2017, it has expended at least **\$ 2,323,960.12** in oversight and response costs relating to the OU02 Lower 8.3 Mile Remedial Design.

As per Section XIII, Paragraph 67 of the Order, payment shall be made within thirty (30) days of receipt of this letter via electronic funds transfer ("EFT"). If payment is not received by this date, a daily interest charge of 0.0024% (0.87% per annum) will be assessed from the first day after the payment is overdue through the date of payment. To make this payment, please instruct your bank to remit payment to EPA via EFT accompanied by the following information:

- i. Amount of payment: **\$ 2,323,960.12**
- ii. EFT to be directed to: **Federal Reserve Bank of New York**
- iii. Bank routing number: **021030004**
- iv. Bank account number receiving payment: **68010727**
- v. SWIFT address: **FRNYUS33**
- vi. Address: **Federal Reserve Bank of New York**
33 Liberty Street
New York, NY 10045
- vii. Field tag 4200 of Fedwire message to read (for Fedwire payments):
D 68010727 Environmental Protection Agency
- viii. Name of remitter: **Occidental Chemical Corporation**
- ix. Case number: **CERCLA 02-2016-2021**
- x. Site name: **Diamond Alkali Superfund Site**
- xi. Site/spill identifier: **02-96**

To ensure that your payment is properly recorded, you must send either an email or a letter, contemporaneously with the EFT, which references the date of the EFT, the payment amount, the name of the Site, the Site identification number, the case number, and your name and address to the following:

Alice Yeh, Remedial Project Manager
Passaic, Hackensack, Newark Bay Remediation Branch
Emergency & Remedial Response Division
United States Environmental Protection Agency, Region 2
290 Broadway, 19th floor
New York, New York 10007-1866
email: yeh.alice@epa.gov

Frances Zizila, Esq., Assistant Regional Counsel
Office of Regional Counsel
United States Environmental Protection Agency, Region 2
290 Broadway, 17th floor
New York, New York 10007-1866
email: zizila.frances@epa.gov

Jessica Henderson
United States Environmental Protection Agency
26 West Martin Luther King Drive
Attention: FINANCE
MS: NWD2
Cincinnati, Ohio 45268
emails: henderson.jessica@epa.gov and cinwd_acctsreceivable@epa.gov

The United States reserves its rights to recover any costs paid during the time period covered by this accounting but not included in this billing, and all other Future Response Costs paid pursuant to the Order.

EPA reaffirms its commitment to conduct appropriate and cost-effective oversight of work performed by consenting parties while ensuring protective cleanups. To this end, EPA is prepared to discuss its plans for the oversight of ongoing work at the Site, and to provide you with the opportunity to suggest ways to effectively streamline the work and its oversight.

If you have any questions regarding this matter, please contact Alice Yeh, of my staff, at (212) 637-4427. Legal inquiries should be directed to Frances Zizila of the Office of Regional Counsel at (212) 637-3135. Thank you for your prompt attention to this matter.

Sincerely,



Michael Sivak, Chief
Passaic, Hackensack & Newark Bay Remediation Branch
Emergency & Remedial Response Division

Enclosures

cc: Juan P. Somoano, P.G.
Vice President
Glenn Springs Holdings, Inc.
5 Greenway Plaza, Suite 110
Houston, Texas 77046

ENCLOSURE A

Summary of Costs Paid by EPA
09/04/2016 through 09/30/2017
Diamond Alkali Superfund Site, Newark, New Jersey
Operable Unit Two ("OU02") Lower 8.3 Mile Remedial Design
Site ID: 02-96

COSTS FROM OU02 Lower 8.3 Mile SCORPIOS REPORT

Payroll from OU02 Lower 8.3 Mile Report:

These costs consist of direct EPA personnel charges for time spent by EPA employees in overseeing work performed under the Order, including review of technical submissions, meetings and/or conferring with OCC representatives, internal meetings and conferences concerning the remedial design, community relations/outreach and coordination with Partner Agencies. See enclosed Payroll Section of EPA's Itemized Cost Summary.

\$ 80,192.36

Interagency Agreements (IAGs) from OU02 Lower 8.3 Mile Report:

These costs consist of technical support by the U.S. Army Corps of Engineers, Kansas City, for oversight of work performed under this Order. IAGs DW96941975 and DW096959018 include costs for the performance standards work, and IAG DW096959085 includes costs for oversight of the Lower 8.3 Mile Remedial Design.

$\$908,609.81 + \$79,518.22 + \$610,114.23 =$ \$ 1,598,242.26

Other Expenditures from OU02 Lower 8.3 Mile Report:

These costs consist of charges for contractor support for file storage and maintenance by EnSofttek for the Lower 8.3 Mile Remedial Design.

\$ 14.46

Indirect Costs from OU02 Lower 8.3 Mile Report:

Indirect costs are those costs which are necessary to the operation of the Superfund program and the support of Site cleanup efforts that are not reflected in direct site costs. Indirect costs are

allocated to particular Superfund sites by means of a methodology established by EPA Headquarters.

\$ 728,446.93

Subtotal of Costs for Bill contained in OU 02 Lower 8.3 Mile RD Report: **\$ 2,406,896.01**

COSTS FROM OU00 SCORPIO\$ REPORT

Payroll from OU00 Report:

The OU00 SCORPIO\$ report includes payroll for OU01, OU02 (OCC/TSI Removal, OCC Lower 8.3 Mile Remedial Design and EPA-lead work), OU 03 (Newark Bay) and OU 04 (CPG-lead 17 Mile Lower Passaic River Study Area RI/FS and CPG-lead RM10.9 TCRA). Therefore, these costs were divided evenly among the seven components.

\$6,826.11 divided by 7 \$ 975.16

Technical and Analytical Support Services from OU 00 Report:

The OU00 SCORPIO\$ report includes charges for contractor support for Community Advisory Group facilitation by SRA International, Inc. for OU02 and OU04. \$31,845 of the total costs are attributable to Lower 8.3 Mile Remedial Design work.

\$ 31,845.00

Indirect Costs from OU 00 Report:

Indirect costs are those costs which are necessary to the operation of the Superfund program and the support of Site cleanup efforts that are not reflected in direct site costs. Indirect costs are allocated to particular Superfund sites by means of a methodology established by EPA Headquarters.

Indirect Costs from OU00 Report apportioned to OU02 Lower 8.3 Mile Remedial Design,
43.40% of (\$975.16 + 31,845.00): \$ 14,243.95

Subtotal of Costs for Bill contained in OU 00 Report: **\$ 47,064.11**

BANKRUPTCY SETTLEMENT CREDIT

This is a credit in the amount of 50 percent of the payment of \$260,000 received by EPA on January 22, 2018 pursuant to the Settlement Agreement between the United States and

Reichhold, Inc., Debtor in In re Reichhold Holdings US, Inc., et al., Case No. 14-12237.

(\$ 130,000.00)

Subtotal of Costs for Bill contained in OU 02 Lower 8.3 Mile RD Report:	\$ 2,406,896.01
Subtotal of Costs for Bill contained in OU 00 Report:	\$ 47,064.11
Bankruptcy Settlement Credit	<u>(\$ 130,000.00)</u>

OU02 Lower 8.3 Mile Remedial Design Bill for Collection Amount:	\$ 2,323,960.12
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